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What RIA buyers and sellers are prioritizing in a shifting market
By Rob Burgess
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What Ben Alge sees today in the wealth management industry is a more institutionalized RIA landscape than even a few years ago.

Many of the larger RIAs and aggregators now operate with the look and feel of small wirehouses, with more centralized decision-making, defined investment platforms and increasingly sophisticated capital structures, said Alge, president of M&A advisory firm Touchstone Investments.

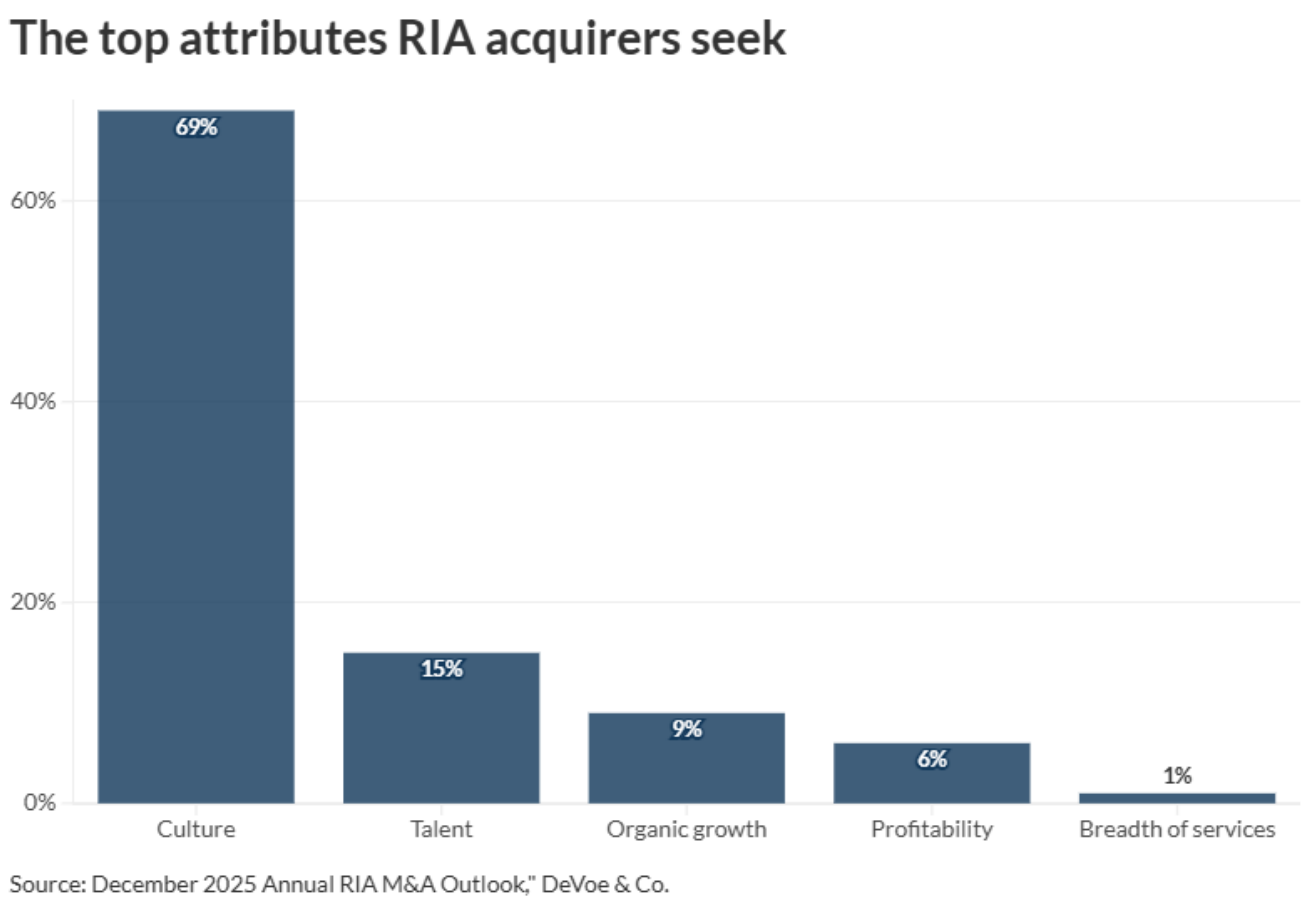
That shift directly influences buyer and seller dynamics, he said.

"There is still strong demand and ample capital, but buyers are more disciplined and focused on strategic fit," he said. "They're not just acquiring assets, they're building scaled businesses."

In 2025, M&A deal volume reached a new high of 466, increasing 27% over the previous year and significantly outpacing the 2020-2024 average increase of 14%, according to data from Echelon Partners.

For advisors, the question is no longer "Is now a good time to sell?" Instead, Alge said, they should be asking, "Who's the right partner?" and "Where will decisions actually get made?"

Thinking through each stage of a deal, from initial negotiations through the post-close period, can help improve alignment and mitigate the risk of any culture clashes. And culture, according to DeVoe & Co.'s December 2025 annual outlook, is a primary driver of transactions, with nearly 70% of surveyed acquirers citing it as a top-sought attribute.



Source: December 2025 Annual RIA M&A Outlook," DeVoe & Co.

Structure of the deal matters

Well before entering a transaction, buyers need to be clear on what they're solving for, whether that is growth, succession, access to a broader platform or something else, said Alge.

During the initial discussions portion of the process, a key focus should be on alignment around decision-making, he said: Where does authority sit? How are investment decisions made? How much flexibility will advisors retain?

"Those questions are critical in a world where many firms are becoming more centralized and platform-driven," he said.

For sellers in today's market, these considerations are not just theoretical.

Steven Crane, founder of Financial Legacy Builders in Dayton, Ohio, is in the process of selling a portion of his RIA and is working through these questions in real time.

One of the main issues that's emerged for Crane is how much the deal structure can influence outcomes, especially from a tax and long-term compensation standpoint. The type of buyer, whether an individual, a larger firm or a platform, can materially change not only the legal framework, but also how payments are

structured and ultimately taxed, he said.

"An asset sale versus an equity sale can look very different on paper, but what really matters is what you keep after taxes and how that aligns with your long-term goals," he said.

Crane is less focused on maximizing an upfront payout and more on generating long-term income. He'd prefer a structure closer to a private annuity, with smaller payments over time that provide stability and align incentives over the long run.

"That approach doesn't work for everyone, but it highlights the bigger point: The 'best' deal is highly dependent on what the seller is actually trying to accomplish," he said.

If ongoing compensation and earnouts aren't clearly defined and aligned before a sale, they can create tax inefficiencies and operational friction over time, said Crane.

"It's easy to focus on the headline number, but the real outcome is determined by how payments are received and taxed over time," he said.

How the business will operate after the transaction

After a transaction closes, success depends on how effectively the firm integrates both culturally and operationally, and how clearly the value proposition is communicated to clients and employees, said Alge.

"The firms that navigate this well are the ones that treat the transaction as a long-term strategic partnership," he said.

The legal structure, tax strategy and compensation model all need to align with how the business will actually operate after the transaction, said Crane.

"If those pieces aren't working together, it can create problems pretty quickly," he said. "These transactions aren't just about valuation, they're about structure. And getting that structure right is what ultimately determines whether a deal actually works for both sides."

One of the main pitfalls Alge sees is advisors underweighting the importance of client relationships and communication while handling the demands of a sale alongside their day-to-day responsibilities. In volatile or uncertain macroeconomic markets, especially, clients are looking for clarity, reassurance and consistent engagement, not just performance, he said.

"At the same time, managing through a transaction or period of change can be a heavy lift on top of running the business day to day," he said.

Outside partnerships can help reduce the strain

Advisors don't have to manage that process alone, said Alge. Many turn to practice management consultants or other strategic support that can help reduce operational strain and allow advisors to stay focused on clients, he said.

"The advisors who succeed are the ones who treat resilience, trust and long-term planning as core to the business, not afterthoughts," he said.

In a recent webinar, John Maragoudakis, managing director at Andersen, said engaging outside attorneys to model the transaction at every point in the process is essential.

"The devil is in the details," he said. "Even though two deals may look alike, no two companies are exactly the same, no two structures are exactly the same. And modeling out a transaction is extremely important because some circumstances that some company has may drastically affect deal outcomes where that same issue wouldn't arise on another deal."